

July 17, 2025

The Honorable Tom Emmer
Majority Whip
United States House of Representatives
326 Cannon House Office Building
Washington, DC 20515

Re: ABA Support re H.R. 1919, the Anti-CBDC Surveillance State Act

Dear Majority Whip Emmer:

The American Bankers Association¹ writes today in support of H.R. 1919, the Anti-CBDC Surveillance State Act. This critical piece of legislation, which was favorably reported out of the House Financial Services Committee on April 2, 2025, would prohibit the Federal Reserve Banks from issuing a retail central bank digital currency (CBDC) directly or indirectly to individuals. It would also prohibit the use of a retail CBDC to implement monetary policy and prohibit the Federal Reserve Board or the Department of Treasury from issuing a CBDC without Congressional approval.

In comments and testimony, ABA has expressed serious concerns about the Federal Reserve Board issuing a retail CBDC. The ABA believes strongly that a CBDC, defined as a digital form of central bank money that is widely available to the general public, is unnecessary in the United States and would present unacceptable risks and costs to the financial system.

The dollar is already digital today, and it is unclear how issuing a retail CBDC would improve financial inclusion or achieve other laudable goals. In fact, issuance of a CBDC would fundamentally change the relationship between citizens and the Federal Reserve, undermine the important role banks play in financial intermediation, exacerbate economic and liquidity crises, and impede the transmission of sound monetary policy.

The risks associated with issuing a retail CBDC are real and likely to undermine any possible benefit that a CBDC would offer. For example, a CBDC would be an advantaged competitor to retail bank deposits that would move money away from banks and into accounts at the Federal Reserve, severely limiting the ability of commercial banks to make loans that power economic growth in communities across the country.

Thank you for your leadership on H.R. 1919, and we urge the House to pass this important legislation.

Sincerely,



cc: Members of the United States House of Representatives

¹ The American Bankers Association is the voice of the nation's \$24.5 trillion banking industry, which is composed of small, regional and large banks that together employ approximately 2.1 million people, safeguard \$19.5 trillion in deposits and extend \$12.8 trillion in loans.